

## **FISCAL NOTE**

TO: Chief Clerk of the Senate  
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 23, 1995

SUBJECT: **SB 743 - HB 1671**

This bill, if enacted, will provide that emergency medical services shall be deemed to be authorized by any insurance plan or policy or managed care organization if not denied within 30 minutes of a request for authorization of treatment.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures to the TennCare Program. The time limit imposed would result in many cases which were not true emergencies being treated at rates substantially higher than those charged in a non-emergency setting. The effect would be increased charges to the managed care organizations which would result in higher capitation rates. The amount of increase cannot reasonably be determined but is estimated to exceed \$100,000.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive, flowing style.

**SB 743 - HB 1671**

James A. Davenport, Executive Director